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EHO-3905

45431

13 April 1949

Mr. Joseph M. McDaniel, Jr.
Special Assistant for East-West Trade
Economic Cooperation Administration
Paris, France

Dear Mr. McDaniel:

Referring to your letter of 21 March 1949, the statement that "The USSR is reported to be negotiating with a Dutch firm for the purchase of \$2½ million worth of industrial stones", appearing in IM-82 (Supplement), dated 10 February 1949, does not constitute a confirmation of the information reported to CIA by you at a previous date.

IM-82 (Supplement) represented indications of varying reliability which together tended to show that the USSR was making concerted efforts to procure strategic materials. The specific transaction to which you referred was mentioned only as having been reported (State Paris incoming 3605 dated 11 January signed Harriman).

I regret that the timing of these various reports together with the delay in their receipt by you has been confusing.

Your interest in our reports is much appreciated, and I hope you will let us have the benefit of your observations.

Sincerely,

SIGNED

R. H. Hillenketter
Rear Admiral, USN
Director of Central Intelligence

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